



Department of Justice

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STATEMENT BY R. HEWITT PATE ON THE ABANDONMENT OF THE HUGHES/ECHOSTAR TRANSACTION

WASHINGTON, D.C. - R. Hewitt Pate, Acting Assistant Attorney General in charge of the Department's Antitrust Division, issued the following statement today after Hughes and EchoStar announced they were abandoning their merger plans.

"We welcome this decision to abandon the transaction. Had this merger gone forward, it would have eliminated competition between the nation's two most significant direct broadcast satellite services, Hughes's DIRECTV and EchoStar's DISH Network. It would have created a monopoly in those areas where cable television is not available, primarily rural areas, and would have reduced competitive choices from three to two for the tens of millions of households for whom DIRECTV, DISH Network, and cable now compete. Because the merger is being abandoned, America's consumers will continue to reap the benefits of competition in the multichannel video programming distribution business."

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